

## **Exchange Program for Integral Development (EPID)**

***Programa de Intercambio para el Desarrollo Integral (PIDI)***

Contract Number DOT-I-00-03-00009-00

**Monthly Report**

**December 2008**

***Submitted December 23, 2008***

## 1. Country Situation Update

As the 50th anniversary of the Revolution draws closer Cubans and scholars alike question, a celebration of what. The touted revolution successes: healthcare, education and housing have become a grave disillusionment in the eyes of many Islanders. Highly trained doctors cannot get needed medicines for their patients, shortage of teachers and school desertion by disenchanted youth have crippled the education system and Castro's delay to respond to earthquake housing needs have left many wondering what they are celebrating.

Numerous activities in the region demonstrate Raul Castro's defiance towards the United States' Cuba policy. Raul Castro continues his international outreach efforts by visiting with "Grupo de Rio" and jointly calling for an end to the US Embargo. He continues to solidify himself as Cuba's new leader by becoming a key player within Latin America and making clear statements to president-elect Obama to meet and liberate the five Cuban agents. Russian navy ships tour Cuban waters. This is the first of such visits since the Cold War and many question Russia's motives after the Georgian confrontation.

Cuba's Finance Minister, Jose Luis Rodriguez, forecast a 4% growth-rate for 2009 that will surpass this year's growth. He attributes the increase to new international economic agreements (such as the \$2 billion cooperation agreement signed with Venezuela) and recent economic measures. Specifically, he cites the decentralization of certain agricultural decisions, increase in the price the State pays for agricultural products, among others as the reasons.

*Blogging the new Voice.* This month bloggers met at the home of the well-known where they discussed technical issues and challenges for their trade. Specifically they discussed how to cater to two different audiences -- those on and off the island.

## 2. Programmatic Highlights and Major Activities

**Programmatic Activities:** Start Up activities were completed during the month of December and staff are finalizing phase one deliverables to be submitted to OTI by January 31, 2009. CREA local staff employment and orientation began on Dec. 3. Orientation was led by and

Creative headquarters and field staff participated in a productive Teambuilding session with OTI in Costa Rica from December 15-18.

### **Key Start Up and Programmatic Accomplishments:**

- Hiring of local staff and expatriates is completed;
- CREA has negotiated an agreement with to fill the Finance Manager position. is an experienced Financial Manager and is scheduled to start on January 5<sup>th</sup>, 2009
- Office set up and wiring is completed. Office opened for staff activity on December 3<sup>rd</sup>;
- Legal certifications, banking requirements are completed and the bank accounts are open;
- Grant making capacity is established;
- Short Term Technical Assistance 1 (STTA1) traveled to the island and has completed visit as planned;
- Embassy coordination has been established and is ongoing;
- Teambuilding session held between OTI and Creative in Costa Rica;
- First Field Officer (FO) trip planned and in progress;
- Program and Operations documentation is 60% complete.
- Approximately 25 potential international NGOs have been identified and selection process will continue in January; and

- Activity Database has been upgraded and first grant ideas entered.
- **Administration and Operations** (Lead: )
  - *Permanent Office Space*: Permanent office space in the Sabana district of San Jose has been leased by CREA, and approved by OTI. Security systems are operational and office cabling and wiring is complete.
  - *Procurement tasks*: Procurement Manager has taken over field procurement tasks. A BIS license request will be submitted by the third week of January 2009.
  - *Human Resources*
    - arrived to assume her permanent position with CREA/CR on Dec. 13.
    - CREA has selected for the position of Finance Manager. Ms. has been selected from who holds previous Creative experience. Negotiations are complete and she will begin on January 5, 2009 with CREA.
    - The following table outlines staff positions and start dates. Additional staff (including Program Development Officers as well as finance and procurement assistants) will be considered as programmatic and administrative needs change during the next two quarters.

Name	Position	CREA Start Date
	Chief of Party	October 1, 2008
	Operations Manager	TDY: November 6-15, 2008 Posted: December 13, 2008
	Information Officer (IO)	December 3, 2008
	Senior PDO (SPDO)	December 3, 2008
	PDO	January 6, 2009
	Procurement & Logistics Manager	December 3, 2008
	Office Manager	December 3, 2008
	IT Manager	December 8, 2008
	Security Manager	December 3, 2008
	Finance Manager	January 5, 2008
	Driver	January 15, 2009

- Staffing schedule: Orientation for all staff began December 3<sup>rd</sup>. Staff participated in the Teambuilding Session December 15 – 18.
  - Vetting and background checks are underway for all selected staff.
- **Program Operations** (Lead: )
  - Outreach to Costa Rican NGOs has been targeted and selective. We have over 25 vetted Costa Rican NGOs that we plan to approach before January 30.
  - Regionally, CREA's IO and SPDO have reached out to NGOs in El Salvador and Nicaragua to begin discussions of future collaboration. We plan to reach out to targeted NGOs in the following countries by February 15: Mexico, Venezuela, Colombia, Honduras, Nicaragua, El Salvador, and Guatemala.
  - CREA has begun to map out the Cuban community in . While we will not conduct extensive outreach, we plan to reach out to , in December-January.



- Grant Idea Profiles: Current grant ideas are focused on association building, youth, media, and hurricane reconstruction. All grant ideas maintain a clear focus on democracy promotion.
- Field Officers and STTA:
  - **STTA:** CREA's first STTA traveled to Cuba for two weeks in December to conduct action research on grant opportunities related to hurricane reconstruction and association building. The STTA developed a number of key contacts who will be drawn on for future trips and grant development. Key areas of focus identified were association building around English language lessons, environmental issues, and community health and education. *Primary Focus:* Association building
  - **Field Officers:** CREA will send to Cuba two Field Officers between December and February, each of which will remain in Cuba for approximately 60 days. Each Field Officer will focus primarily on two selected provinces, where they will seek to identify grant opportunities and potential grant recipients, as well as build relations with different community stakeholders. [redacted] briefed both FOs in San Jose in preparation for travel. The first traveler departed at the end of December and will remain on site for 2 months.
- Activity Database: [redacted] (OTI) provided several days of intensive database training for CREA staff. [redacted] and [redacted] entered two grants into the Database and the weekly upload to E-rooms has begun. Requests for E-rooms access are also in process and will continue in January.
- *Teambuilding Session:* CREA and OTI staff participated in a productive and informative teambuilding session from December 15 – 18 in [redacted] Costa Rica. The session was facilitated by [redacted]. Specific topics discussed included a background on OTI and involvement in Cuba, history of USG involvement on the island, programmatic goals, implementation challenges, the Activity Database and Activity Cycle, Communication scenarios, and Information Security. CREA Field Officers were present and greatly benefited by attending the workshop. A final report of next steps will be circulated in January by [redacted] for group review.
- Programmatic Documents: As agreed by CREA and OTI, all programmatic documents will be submitted to OTI by January 31. The Cash Grants Protocol has been submitted to OTI/OAA for final review and approval. Final versions of CREA's Grant Cycle Flow Chart and Guide, Field Staffing Plan, Security Manual and Procurement Manual are being completed. A set of basic FAQs for the US Embassy in San Jose has been drafted along with OTI.
- **Procurement / Logistics**
  - *Shipping:* Per discussions with OTI, expat staff will not receive duty free HHE and UAB shipping. Creative will pay duties and be reimbursed by OTI.
  - CREA has procured all office equipment and will finalize office server set-up in January.
- **Security**
  - *Security:* [redacted] has managed the set up of office security systems. The office is equipped with an integrated alarm system, security motion sensors, and access controls. CREA will monitor security needs as the program progresses to ensure maximum level of office and information security.

**3. Budget Information**

CLIN	Description	Total	Obligated 2008	Disbursed November	Disbursed December (est.)
001	Operations Fixed Fee	\$ 4,877,599		\$ 163,559	\$ 215,550
002	Operations	\$ 244,380			
003	Grants	\$ 10,200,000		\$ -	\$ 55,000 -
004	Fixed Fee on Grants	\$ 204,000			
	<b>TOTAL</b>	<b>\$ 15,535,979</b>	<b>\$ 6,500,000</b>	<b>\$ 163,559</b>	<b>\$ 270,550</b>

- Creative submitted the first quarterly accruals report to OTI on December 22, 2008.

**4. Summary of Grant Implementation and Appraisal**

- Grant submissions: CREA has submitted two Grant Ideas for OTI approval through the Activity Database. The two ideas focus on youth, new media, underground culture, and association building. Upon OTI's approval we anticipate implementation to start in early January.
- We plan to disburse between three and five small local procurement grants to recipients on the island prior to February 15, 2009. These will be delivered by Field Officers.

**5. Problems Encountered: Issues and Proposed Actions**

- OTI and the US Embassy are finalizing details regarding tax free status for Creative in country and expat staff.
- Activity database bugs are being worked out with OTI staff assistance. Front-end has been successfully upgraded and Activity database local guide edits are underway.

**6. Upcoming Activities**

During January 09 CREA/Costa Rica has the following activities planned:

- Continue staff orientation;
- Submission of the BIS license request;
- Continue the development and preparation of programmatic documents and manuals until January 31<sup>st</sup> ;
- Partner outreach within Costa Rica;
- Visits to Venezuela and at least one Central American country for partner outreach;
- Deployment of Field Officer 2;
- Deployment of field staff for STTA trips to the island; and
- Submission of 3 additional Grant Activities for OTI green-light approval.